## SENATE SUBSTITUTE

FOR

## SENATE COMMITTEE SUBSTITUTE

FOR

## SENATE BILL NO. 66

## AN ACT

To repeal sections 287.020, 287.149, 287.170, and 287.390, RSMo, and to enact in lieu thereof four new sections relating to maximum medical improvement under workers' compensation laws.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

- 1 Section A. Sections 287.020, 287.149, 287.170, and 287.390,
- 2 RSMo, are repealed and four new sections enacted in lieu thereof,
- 3 to be known as sections 287.020, 287.149, 287.170, and 287.390,
- 4 to read as follows:
- 5 287.020. 1. The word "employee" as used in this chapter
- 6 shall be construed to mean every person in the service of any
- 7 employer, as defined in this chapter, under any contract of hire,
- 8 express or implied, oral or written, or under any appointment or
- 9 election, including executive officers of corporations. Except
- as otherwise provided in section 287.200, any reference to any
- 11 employee who has been injured shall, when the employee is dead,
- 12 also include his dependents, and other persons to whom
- 13 compensation may be payable. The word "employee" shall also
- include all minors who work for an employer, whether or not such
- 15 minors are employed in violation of law, and all such minors are
- hereby made of full age for all purposes under, in connection

not include an individual who is the owner, as defined in subdivision (42) of section 301.010, and operator of a motor vehicle which is leased or contracted with a driver to a for-hire motor carrier operating within a commercial zone as defined in section 390.020 or 390.041, or operating under a certificate

with, or arising out of this chapter. The word "employee" shall

- 7 issued by the Missouri department of transportation or by the
- 8 United States Department of Transportation, or any of its
- 9 subagencies. The word "employee" also shall not include any
- 10 person performing services for board, lodging, aid, or sustenance
- 11 received from any religious, charitable, or relief organization.
- 2. The word "accident" as used in this chapter shall mean an unexpected traumatic event or unusual strain identifiable by time and place of occurrence and producing at the time objective symptoms of an injury caused by a specific event during a single work shift. An injury is not compensable because work was a
- 3. (1) In this chapter the term "injury" is hereby defined
- 19 to be an injury which has arisen out of and in the course of

triggering or precipitating factor.

- 20 employment. An injury by accident is compensable only if the
- 21 accident was the prevailing factor in causing both the resulting
- 22 medical condition and disability. "The prevailing factor" is
- defined to be the primary factor, in relation to any other
- 24 factor, causing both the resulting medical condition and
- 25 disability.

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- 26 (2) An injury shall be deemed to arise out of and in the course of the employment only if:
  - (a) It is reasonably apparent, upon consideration of all

- the circumstances, that the accident is the prevailing factor in causing the injury; and
- 3 (b) It does not come from a hazard or risk unrelated to the 4 employment to which workers would have been equally exposed 5 outside of and unrelated to the employment in normal 6 nonemployment life.
  - (3) An injury resulting directly or indirectly from idiopathic causes is not compensable.

- (4) A cardiovascular, pulmonary, respiratory, or other disease, or cerebrovascular accident or myocardial infarction suffered by a worker is an injury only if the accident is the prevailing factor in causing the resulting medical condition.
- violence to the physical structure of the body and to the personal property which is used to make up the physical structure of the body, such as artificial dentures, artificial limbs, glass eyes, eyeglasses, and other prostheses which are placed in or on the body to replace the physical structure and such disease or infection as naturally results therefrom. These terms shall in no case except as specifically provided in this chapter be construed to include occupational disease in any form, nor shall they be construed to include any contagious or infectious disease contracted during the course of the employment, nor shall they include death due to natural causes occurring while the worker is at work.
- 4. "Death" when mentioned as a basis for the right to compensation means only death resulting from such violence and its resultant effects occurring within three hundred weeks after

the accident; except that in cases of occupational disease, the limitation of three hundred weeks shall not be applicable.

- 5. Injuries sustained in company-owned or subsidized automobiles in accidents that occur while traveling from the employee's home to the employer's principal place of business or from the employer's principal place of business to the employee's home are not compensable. The extension of premises doctrine is abrogated to the extent it extends liability for accidents that occur on property not owned or controlled by the employer even if the accident occurs on customary, approved, permitted, usual or accepted routes used by the employee to get to and from their place of employment.
  - 6. The term "total disability" as used in this chapter shall mean inability to return to any employment and not merely mean inability to return to the employment in which the employee was engaged at the time of the accident.
  - 7. As used in this chapter and all acts amendatory thereof, the term "commission" shall hereafter be construed as meaning and referring exclusively to the labor and industrial relations commission of Missouri, and the term "director" shall hereafter be construed as meaning the director of the department of insurance, financial institutions and professional registration of the state of Missouri or such agency of government as shall exercise the powers and duties now conferred and imposed upon the department of insurance, financial institutions and professional registration of the state of Missouri.
  - 8. The term "division" as used in this chapter means the division of workers' compensation of the department of labor and

- 1 industrial relations of the state of Missouri.
- 9. For the purposes of this chapter, the term "minor" means
- 3 a person who has not attained the age of eighteen years; except
- 4 that, for the purpose of computing the compensation provided for
- 5 in this chapter, the provisions of section 287.250 shall control.
- 6 10. In applying the provisions of this chapter, it is the
- 7 intent of the legislature to reject and abrogate earlier case law
- 8 interpretations on the meaning of or definition of "accident",
- 9 "occupational disease", "arising out of", and "in the course of
- 10 the employment" to include, but not be limited to, holdings in:
- Bennett v. Columbia Health Care and Rehabilitation, 80 S.W.3d 524
- 12 (Mo.App. W.D. 2002); Kasl v. Bristol Care, Inc., 984 S.W.2d 852
- 13 (Mo.banc 1999); and Drewes v. TWA, 984 S.W.2d 512 (Mo.banc 1999)
- and all cases citing, interpreting, applying, or following those
- 15 cases.
- 16 11. For the purposes of this chapter, "occupational
- diseases due to toxic exposure" shall only include the following:
- 18 mesothelioma, asbestosis, berylliosis, coal worker's
- 19 pneumoconiosis, brochiolitis obliterans, silicosis,
- 20 silicotuberculosis, manganism, acute myelogenous leukemia, and
- 21 myelodysplastic syndrome.
- 22 12. For the purposes of this chapter, "maximum medical
- improvement" shall mean the point at which the injured employee's
- 24 medical condition has stabilized and can no longer reasonably
- improve, as determined by the employer's physician.
- 26 287.149. 1. Temporary total disability or temporary
- 27 partial disability benefits shall be paid throughout the
- 28 rehabilitative process. Temporary total disability or temporary

- 1 partial disability benefits shall continue until the employee
- 2 reaches maximum medical improvement, unless such benefits are
- 3 <u>terminated</u> by the employee's return to work or are terminated as
- 4 otherwise specified in this chapter.

rehabilitation services.

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- 2. The permanency of the employee's disability under sections 287.170 to 287.200 shall not be established, determined or adjudicated while the employee is participating in
- 9 3. Refusal of the employee to accept rehabilitation
  10 services or submit to a vocational rehabilitation assessment as
  11 deemed necessary by the employer shall result in a fifty percent
  12 reduction in all disability payments to an employee, including
  13 temporary partial disability benefits paid pursuant to section

287.180, for each week of the period of refusal.

- 287.170. 1. For temporary total disability the employer shall pay compensation [for not] until the employee reaches maximum medical improvement unless such benefits are terminated by the employee's return to work or are terminated as otherwise specified in this chapter, but in no event more than four hundred weeks during the continuance of such disability at the weekly rate of compensation in effect under this section on the date of the injury for which compensation is being made. The amount of such compensation shall be computed as follows:
- (1) For all injuries occurring on or after September 28, 1983, but before September 28, 1986, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this

- subdivision shall not exceed an amount equal to seventy percent of the state average weekly wage, as such wage is determined by
- 3 the division of employment security, as of the July first

first immediately preceding the date of injury;

4 immediately preceding the date of injury;

- For all injuries occurring on or after September 28, 1986, but before August 28, 1990, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to seventy-five percent of the state average weekly wage, as such wage is determined by the division of employment security, as of the July
  - (3) For all injuries occurring on or after August 28, 1990, but before August 28, 1991, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to one hundred percent of the state average weekly wage;
  - (4) For all injuries occurring on or after August 28, 1991, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to one hundred five percent of the state average weekly wage;
    - (5) For all injuries occurring on or after September 28,

- 1 1981, the weekly compensation shall in no event be less than 2 forty dollars per week.
- 2. Temporary total disability payments shall be made to the claimant by check or other negotiable instruments approved by the director which will not result in delay in payment and shall be forwarded directly to the claimant without intervention, or, when requested, to claimant's attorney if represented, except as provided in section 454.517, by any other party except by order of the division of workers' compensation.
  - 3. An employee is disqualified from receiving temporary total disability during any period of time in which the claimant applies and receives unemployment compensation.

- 4. If the employee is terminated from post-injury employment based upon the employee's post-injury misconduct, neither temporary total disability nor temporary partial disability benefits under this section or section 287.180 are payable. As used in this section, the phrase "post-injury misconduct" shall not include absence from the workplace due to an injury unless the employee is capable of working with restrictions, as certified by a physician.
- 287.390. 1. Parties to claims hereunder may enter into voluntary agreements in settlement thereof, but no agreement by an employee or his or her dependents to waive his or her rights under this chapter shall be valid, nor shall any agreement of settlement or compromise of any dispute or claim for compensation under this chapter be valid until approved by an administrative law judge or the commission, nor shall an administrative law judge or the commission approve any settlement which is not in

chapter. No such agreement shall be valid unless made after seven days from the date of the injury or death. An administrative law judge, or the commission, shall approve a

accordance with the rights of the parties as given in this

- 5 settlement agreement as valid and enforceable as long as the
- 6 settlement is not the result of undue influence or fraud, the
- 7 employee fully understands his or her rights and benefits, and
- 8 voluntarily agrees to accept the terms of the agreement.
  - 2. A compromise settlement approved by an administrative law judge or the commission during the employee's lifetime shall extinguish and bar all claims for compensation for the employee's death if the settlement compromises a dispute on any question or issue other than the extent of disability or the rate of compensation.
    - 3. Notwithstanding the provisions of section 287.190, an employee shall be afforded the option of receiving a compromise settlement as a one-time lump sum payment. A compromise settlement approved by an administrative law judge or the commission shall indicate the manner of payment chosen by the employee.
    - 4. A minor dependent, by parent or conservator, may compromise disputes and may enter into a compromise settlement agreement, and upon approval by an administrative law judge or the commission the settlement agreement shall have the same force and effect as though the minor had been an adult. The payment of compensation by the employer in accordance with the settlement agreement shall discharge the employer from all further obligation.

5. In any claim under this chapter where an offer of settlement is made in writing and filed with the division by the employer, an employee is entitled to one hundred percent of the amount offered, provided such employee is not represented by counsel at the time the offer is tendered. Where such offer of settlement is not accepted and where additional proceedings occur with regard to the employee's claim, the employee is entitled to one hundred percent of the amount initially offered. Legal counsel representing the employee shall receive reasonable fees for services rendered.

- 6. As used in this chapter, "amount in dispute" means the dollar amount in excess of the dollar amount offered or paid by the employer. An offer of settlement shall not be construed as an admission of liability.
- 7. (1) In the case of compromise settlements offered after a claimant has reached maximum medical improvement, upon receipt of a permanent disability rating from the employer's physician, a claimant shall have a period of nine months from such date to acquire a rating from a second physician of his or her own choosing.
- (2) Absent a finding of extenuating circumstances by an administrative law judge or the commission, if after nine months a claimant has not acquired a rating from a second physician, any compromise settlement entered into under this section shall be based upon the initial rating.
- (3) A finding of extenuating circumstances by an administrative law judge or the commission shall require more than failure of the claimant to timely obtain a rating from a

- 1 <u>second physician.</u>
- 2 (4) The provisions of this subsection may be waived by the
- 3 employer with or without stating a cause.